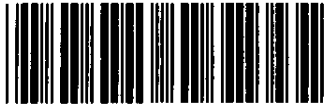


USDC SCAN INDEX SHEET



ELC 11/29/00 15:13  
3:00-CR-03071 USA V. BELLINO  
\*1\*  
\*CRINFO.\*

NOV 8 2000

*[Handwritten signature]*  
U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

**00 CR 3071 JM**

UNITED STATES OF AMERICA,	)	Criminal Case No. _____
	)	
Plaintiff,	)	<u>I N F O R M A T I O N</u>
	)	
v.	)	Title 18, U.S.C., Sec. 371 -
	)	Conspiracy to Commit Mail Fraud;
JAMES CARLOS BELLINO,	)	
	)	
	)	
Defendant.	)	

The United States Attorney charges:

INTRODUCTORY ALLEGATIONS

At all relevant times herein:

1. The sports and celebrity memorabilia market in the United States is approximately one billion dollars per year. Industry experts estimate that upwards of 50% (and perhaps as much as 90%) of the items comprising this market are counterfeit. Typically, the individuals who traffic in this black market obtain memorabilia containing forged autographs of celebrities, which are then inaccurately certified as genuine.

PLBH:pc  
San Diego

1           2.    Autographed sports and celebrity memorabilia frequently  
2 consists of either clothing, such as jerseys or shoes; sports  
3 equipment, such as bats and balls; pieces of paper (commonly known  
4 as "cuts"); musical instruments, record albums, or pictorial  
5 items, such as photographs, posters, and trading cards -- all of  
6 which bear the purported signature of a professional athlete or  
7 celebrity connected in some way with the item of memorabilia.

8           3.    The price of an item of autographed memorabilia depends  
9 on a variety of factors. The success and popularity of the  
10 individual generally influences the price. In addition, the  
11 memorabilia of deceased athletes and celebrities (so-called  
12 "vintage memorabilia") typically yields higher prices.

13           4.    Although there are numerous unrelated distributors of  
14 counterfeit memorabilia, the majority of counterfeit memorabilia  
15 distributed throughout the United States is traceable to a finite  
16 number of counterfeiters who supply an enormous amount of high-  
17 quality fraudulent sports and celebrity memorabilia. These  
18 counterfeiters usually sell the memorabilia (containing forged  
19 signatures) to large-scale distributors who supply the items to  
20 major retail outlets, other smaller distributors, or directly to  
21 the public.

22           5.    Typically, one of the conspirators in the distribution  
23 chain obtains a certificate of authenticity attesting to the  
24 genuineness of the items containing athlete or celebrity  
25 signatures. Sometimes, these certificates are simply prepared by  
26 a distributor fraudulently filling out blank forms that he has  
27  
28

1 mass produced. On other occasions, the distributors utilize other  
2 individuals who purport to examine the item and render an "expert"  
3 opinion as to the signature's authenticity. Frequently, the  
4 authenticators have forensic expertise and claim to (or actually)  
5 have scientifically compared the signature on the memorabilia to  
6 known examples of the celebrity's handwriting.

7 6. The role of the authenticator is extremely important to  
8 the success of the criminal venture. It is the certificate of  
9 authenticity which allows distributors to feign, or maintain,  
10 ignorance of the fraudulent nature of the item they are selling.  
11 On the few occasions when an unsuspecting buyer discovers the  
12 fraud, the seller can claim that he relied on the accuracy of the  
13 certificate of authenticity and was unaware of the counterfeit  
14 nature of the celebrity's signature contained on the item.

15 7. On the other hand, the authenticators -- if confronted  
16 by an angry buyer -- can always claim that they are not  
17 responsible for the fraud and merely gave their best opinion as to  
18 whether the signature was genuine. As a rule, the certificates of  
19 authenticity expressly state that they merely represent the  
20 authenticator's expert opinion and cannot be relied upon as a  
21 warranty that the item of memorabilia is, in fact, genuine.

22 8. Eventually, the counterfeit item enters the stream of  
23 legitimate commerce in this country. Once in the legitimate  
24 stream of commerce, the item may be sold from a wide variety of  
25 different locations. Among the differing venues are: (1) Internet  
26 auction sites; (2) numerous mail order businesses and large  
27  
28

1 retail stores that advertise in various trade publications; (3)  
2 upscale franchise stores located in malls and airport concourses  
3 around the country; (4) home shopping channels; (5) local shops  
4 that specialize in baseball cards or other items of memorabilia;  
5 (6) memorabilia shows; (7) movie theaters; and (8) local charity  
6 auctions.

7 9. On some occasions, the ultimate retailer of the  
8 counterfeit item may be unaware of its fraudulent nature.  
9 However, if the retailer is aware -- or suspects due to the item's  
10 price or appearance -- that the memorabilia is counterfeit, he may  
11 attempt to disguise the illegal activity by obtaining several  
12 genuine items of memorabilia that were actually signed by the  
13 celebrity. If confronted by a customer, the seller can tell the  
14 customer that the item must be genuine based on the seller's false  
15 claim that it was personally obtained from the athlete.

16 10. In addition, unscrupulous retailers utilize pictures  
17 taken with celebrities to promote the sale of counterfeit items  
18 claiming that they were signed by a celebrity at the time of the  
19 picture. On occasion, retailers will simply get a stock picture  
20 of an athlete signing autographs in an attempt to convince the  
21 unsuspecting buyer of the item's genuineness.

#### 22 The Counterfeit Memorabilia Market

23 11. The market for genuine vintage memorabilia has changed  
24 dramatically over the last decade. In the late 1980's, the market  
25 consisted of a very limited supply of genuine articles (e.g.,  
26 vintage balls, checks, old books, letters, and the rare cut).  
27  
28

1 These items were almost exclusively traded among a select group of  
2 collectors through a well-defined network. However, at present,  
3 the market is absolutely flooded with tens of thousands of vintage  
4 items (including bats, balls, jerseys, helmets, record albums,  
5 pictures, magazines, pieces of paper, posters, lithographs, and  
6 other items) that are counterfeit.

7 12. In fact, the current "public" market in vintage  
8 memorabilia is largely comprised of forgeries. This market in  
9 vintage memorabilia is directly attributable to the special skills  
10 of a select group of forgers. Indeed, vintage cuts were almost  
11 non-existent prior to these forgers beginning to produce the cuts  
12 within the last decade. Today, there are literally thousands of  
13 these counterfeit items in retail businesses across the country.

14 13. The black market is increasingly turning to the Internet  
15 in order to facilitate the sale of counterfeit sports and  
16 celebrity memorabilia. Attempting to cloak themselves in the  
17 anonymity available in cyberspace, black marketeers brazenly offer  
18 multiple, high-priced counterfeits from a variety of websites.

19 14. The current market of non-vintage memorabilia is also  
20 characterized by the counterfeiting of the signatures of select  
21 athletes and celebrities who command large sums in the open  
22 market. In particular demand on the current black market are items  
23 signed by Mark McGwire, Sammy Sosa, Ted Williams, Mohammed Ali,  
24 John Elway, Joe Montana, Michael Jordan, Kobe Bryant, Mel Gibson  
25 and Pamela Anderson Lee.

1           15. Some of the most popular athletes have started to  
2 introduce security procedures in an attempt to frustrate  
3 counterfeiters. For example, Michael Jordan entered into an  
4 exclusive contract with Upper Deck to sell his autographed items.  
5 Therefore, the public is almost guaranteed that any retail item of  
6 sports memorabilia purporting to be signed by Jordan is  
7 counterfeit -- except for merchandise marketed through Upper Deck.  
8 For a number of years, Michael Jordan's contract with Upper Deck  
9 has been an exclusive contract that prevents him from selling his  
10 autographs to other sources.

11           16. Similarly, Mark McGwire has refused to sign autographs  
12 (for money) for approximately the last decade. As a result, a  
13 McGwire signature purchased on the retail market is almost  
14 guaranteed to be a forgery.

15                           COUNT ONE

16           17. Beginning at a time unknown to the Government and  
17 continuing up to and including October 13, 1999, within the  
18 Southern District of California, and elsewhere, defendant JAMES  
19 CARLOS BELLINO did knowingly and willfully combine, conspire and  
20 agree with numerous others, to utilize the United States Postal  
21 Service and other common carriers to defraud consumers and obtain  
22 money by means of false and fraudulent pretenses, representations  
23 and promises; all in violation of Title 18, United States Code,  
24 Section 371.

25           //

THE METHODS OF THE CONSPIRACY

18. As a part of the conspiracy, the coconspirators obtained certificates of authenticity from a number of different authentication services, including Forensic Document Services ("FDS"). These certificates were obtained by the conspirators to disguise the fact that the memorabilia they were selling was counterfeit.

19. As a further part of the conspiracy, James Bellino operated the company Forensic Document Services ("FDS"). In operating the company, Bellino employed the services of Robert Prouty who authenticated both counterfeit and genuine sports and celebrity memorabilia.

20. As a further part of the conspiracy, FDS authenticated counterfeit memorabilia provided by various coconspirators.

OVERT ACTS

In furtherance of said conspiracy and to effect the objects thereof, the following overt acts, among others, were committed within the Southern District of California and elsewhere:

1. On or about March 3, 1999, in Orange, California, James Bellino sold a government undercover agent two counterfeit Babe Ruth baseballs (for \$6,700). Both of these balls came with FDS certificates of authenticity.

2. On or about March 5, 1999, in Oceanside, California, a government undercover agent received the counterfeit Babe Ruth baseballs inside a UPS package shipped from James C.

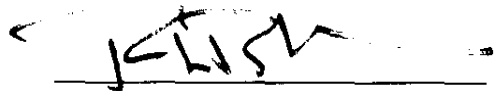


1 Bellino/Jennifer Eridkamp, Field of Dreams, 1155 North Tustin  
2 Avenue, Orange, California.

3 All in violation of Title 18, United States Code, Section 371.

4 DATED: 9/25/00.

5 GREGORY A. VEGA  
6 United States Attorney

7   
8 PHILLIP L. B. HALPERN  
9 Assistant U.S. Attorney